

House Amendment to  
Senate File 2315

S-5234

1 Amend Senate File 2315, as amended, passed, and  
2 reprinted by the Senate, as follows:  
3 1. Page 1, by striking line 21 and inserting  
4 ~~<consult with take into account any related planning~~  
5 activities implemented by the Iowa department of public  
6 health, the state>  
7 2. Page 1, line 29, by striking <incorporate> and  
8 inserting <incorporate>  
9 3. Page 1, line 30, after <services> by inserting  
10 <take into account>  
11 4. Page 2, line 7, by striking <Coordinate of> and  
12 inserting <ofCoordinate>  
13 5. Page 2, line 10, by striking <to> and inserting  
14 <toin connection with>  
15 6. Page 3, line 7, by striking <331.440B.> and  
16 inserting <331.438C. A performance-based contract  
17 shall require a regional administrator to fulfill the  
18 statutory and regulatory requirements of the regional  
19 service system under this chapter and chapter 331. A  
20 failure to fulfill the requirements may be addressed  
21 by remedies specified in the contract, including but  
22 not limited to suspension of contract payments or  
23 cancellation of the contract. The contract provisions  
24 may include but are not limited to requirements for  
25 the regional service system to attain outcomes within  
26 a specified range of acceptable performance in any of  
27 the following categories:  
28 (1) Access standards for the required core  
29 services.  
30 (2) Penetration rates for serving the number of  
31 persons expected to be served.  
32 (3) Utilization rates for inpatient and residential  
33 treatment.  
34 (4) Readmission rates for inpatient and residential  
35 treatment.  
36 (5) Employment of the persons receiving services.  
37 (6) Administrative costs.  
38 (7) Data reporting.  
39 (8) Timely and accurate claims processing.>  
40 7. Page 3, line 7, by striking <pursuant to> and  
41 inserting <as described in>  
42 8. Page 3, line 28, after <225C.6A,> by inserting  
43 <unnumbered paragraph 1,>  
44 9. Page 3, by striking line 30.  
45 10. Page 3, line 31, before <The> by inserting <1.>  
46 11. Page 3, after line 33 by inserting:  
47 <Sec. \_\_\_\_\_. Section 225C.6A, subsections 1 through  
48 3, Code 2011, are amended to read as follows:>  
49 12. Page 4, line 6, by striking <a.1.> and  
50 inserting <a.>

1 13. Page 4, line 15, by striking ~~<b.2.>~~ and  
2 inserting ~~<b.>~~  
3 14. Page 4, line 25, by striking ~~<3.>~~ and inserting  
4 ~~<2.>~~  
5 15. By striking page 4, line 32, through page 5,  
6 line 8.  
7 16. Page 5, after line 8 by inserting:  
8 <Sec. \_\_\_\_\_. Section 225C.6B, Code 2011, is amended  
9 by adding the following new subsection:  
10 NEW SUBSECTION. 3. *State and regional disability*  
11 *service systems.* The publicly financed disability  
12 services for persons with mental illness, intellectual  
13 disability or other developmental disability, or  
14 brain injury in this state shall be provided by  
15 the department and the counties operating together  
16 as regions. The financial and administrative  
17 responsibility for such services is as follows:  
18 a. Disability services for children and adults  
19 that are covered under the medical assistance program  
20 pursuant to chapter 249A are the responsibility of the  
21 state.  
22 b. Adult mental health and intellectual disability  
23 services that are not covered under the medical  
24 assistance program are the responsibility of the  
25 county-based regional service system.>  
26 17. Page 5, line 16, by striking <department> and  
27 inserting <director of human services, in consultation  
28 with the commission,>  
29 18. Page 5, line 18, by striking <allowed growth>  
30 and inserting <the increase in the costs of providing  
31 services>  
32 19. Page 5, line 20, by striking <allocate> and  
33 inserting <distribute>  
34 20. By striking page 5, line 27, through page 6,  
35 line 1.  
36 21. Page 6, line 7, by striking <3, paragraph "c">  
37 and inserting <3, paragraph "c" 2>  
38 22. Page 7, line 10, by striking <1. a.> and  
39 inserting <1.>  
40 23. By striking page 7, line 17, through page 8,  
41 line 5, and inserting <state commission pursuant to  
42 a recommendation made by the department. A regional  
43 management plan shall include an annual service and  
44 budget plan, a policies and procedures manual, and an  
45 annual report. Each region's initial plan shall be  
46 submitted to the department by April 1, 2014.  
47 2. Each region shall submit to the department an  
48 annual service and budget plan approved by the region's  
49 governing board and subject to approval by the director  
50 of human services. Provisions for the director of

1 human services' approval of the annual service and  
2 budget plan, and any amendments to the plan, and other  
3 requirements shall be specified in rule adopted by the  
4 state commission. The provisions addressed in the  
5 annual plan shall include but are not limited to all  
6 of the following:

- 7 a. The region's budget and financing provisions for  
8 the next fiscal year. The provisions shall address how  
9 county, regional, state, and other funding sources will  
10 be used to meet the service needs within the region.
- 11 b. The scope of services included in addition to  
12 the required core services. Each service included  
13 shall be described and projection of need and the  
14 funding necessary to meet the need shall be included.
- 15 c. The location of the local access points for  
16 services.
- 17 d. The plan for assuring effective crisis  
18 prevention, response, and resolution.
- 19 e. The provider reimbursement provisions. A  
20 region's use of provider reimbursement approaches in  
21 addition to fee-for-service reimbursement and for  
22 compensating the providers engaged in a systems of care  
23 approach and other nontraditional providers shall be  
24 encouraged. A region also shall be encouraged to use  
25 and the department shall approve funding approaches  
26 that identify and incorporate all services and  
27 sources of funding used by persons receiving services,  
28 including medical assistance program funding.
- 29 f. Financial forecasting measures.
- 30 g. The targeted case managers designated for the  
31 region.

32 3. Each region shall submit an annual report to the  
33 department on or before December 1. The annual report  
34 shall provide information on the actual numbers of  
35 persons served, moneys expended, and outcomes achieved.

36 4. The region shall have in effect a policies and  
37 procedures manual for the regional service system. The  
38 manual shall be approved by the region's governing  
39 board and is subject to approval by the director of  
40 human services. An approved manual shall remain in  
41 effect subject to amendment. An amendment to the  
42 manual shall be submitted to the department at least  
43 forty-five days prior to the date of implementation of  
44 the amendment. Prior to implementation of an amendment  
45 to the manual, the amendment must be approved by the  
46 director of human services in consultation with the  
47 state commission. The manual shall include but is not  
48 limited to all of the following:

- 49 a. A description of the region's policies and  
50 procedures for financing and delivering the services

1 included in the annual service and budget plan.  
2     *b.* The enrollment and eligibility process.  
3     *c.* The method of annual service and budget plan  
4 administration.  
5     *d.* The process for managing utilization and access  
6 to services and other assistance. The process shall  
7 also describe how coordination between the services  
8 included in the annual service and budget plan and  
9 the disability services administered by the state and  
10 others will be managed.  
11     *e.* The quality management and improvement  
12 processes.  
13     *f.* The risk management provisions and fiscal  
14 viability of the annual service and budget plan, if the  
15 region contracts with a private entity.  
16     *g.* The requirements for designation of targeted  
17 case management providers and for implementation  
18 of evidence-based models of case management. The  
19 requirements shall be designed to provide the person  
20 receiving the case management with a choice of  
21 providers, allow a service provider to be the case  
22 manager but prohibit the provider from referring a  
23 person receiving the case management only to services  
24 administered by the provider, and include other  
25 provisions to ensure compliance with but not exceed  
26 federal requirements for conflict-free case management.  
27 The qualifications of targeted case managers and other  
28 persons providing service coordination under the  
29 management plan shall be specified in the rules. The  
30 rules shall also include but are not limited to all of  
31 the following relating to targeted case management and  
32 service coordination services:  
33         (1) Performance and outcome measures relating to  
34 the health, safety, work performance, and community  
35 residency of the persons receiving the services.  
36         (2) Standards for delivery of the services,  
37 including but not limited to social history,  
38 assessment, service planning, incident reporting,  
39 crisis planning, coordination, and monitoring for  
40 persons receiving the services.  
41         (3) Methodologies for complying with the  
42 requirements of this paragraph "*g*" which may include  
43 the use of electronic recordkeeping and remote or  
44 internet-based training.  
45     *h.* A plan for a systems of care approach in which  
46 multiple public and private agencies partner with  
47 families and communities to address the multiple needs  
48 of the persons and their families involved with the  
49 regional service system.  
50     *i.* Measures to provide services in a decentralized

1 manner that utilize the strengths and assets of  
2 the administrators and service providers within and  
3 available to the region.  
4 j. A plan for provider network formation and  
5 management.  
6 k. Service provider payment provisions.  
7 l. A process for resolving grievances.  
8 m. Measures for implementing interagency and  
9 multisystem collaboration and care coordination.  
10 5. The provisions of a regional service system  
11 management plan shall include measures to address the  
12 needs of persons who have two>  
13 24. Page 8, line 9, by striking <individuals> and  
14 inserting <persons>  
15 25. Page 8, after line 16 by inserting:  
16 <\_\_\_\_\_. If a county has been exempted pursuant to  
17 section 331.438B from the requirement to enter into a  
18 regional service system, the county and the county's  
19 board of supervisors shall fulfill all requirements  
20 under this chapter for a regional service system,  
21 regional service system management plan, regional  
22 governing board, and regional administrator, and any  
23 other provisions applicable to a region of counties  
24 providing local mental health and disability services.>  
25 26. By striking page 8, line 24, through page 10,  
26 line 13.  
27 27. Page 10, by striking lines 17 and 18 and  
28 inserting <in the core services required under section  
29 331.439D, subject to the availability of funding.>  
30 28. Page 11, line 7, by striking <disability  
31 services> and inserting <regional service system>  
32 29. Page 11, by striking lines 10 through 12 and  
33 inserting <hundred percent of the federal poverty  
34 level.>  
35 30. Page 11, line 25, by striking <is fully able to  
36 absorb the cost> and inserting <is not reimbursed for  
37 the cost with public funds>  
38 31. Page 11, line 34, after <commission> by  
39 inserting <pursuant to a recommendation made by the  
40 department>  
41 32. Page 12, line 23, by striking <diagnosable>  
42 33. Page 12, line 24, after <disorder> by inserting  
43 <or, in the opinion of a mental health professional,  
44 may now have such a diagnosable disorder>  
45 34. Page 13, lines 4 and 5, by striking <or other  
46 developmental disability>  
47 35. Page 14, by striking lines 8 through 18 and  
48 inserting <otherwise requires, "domain" means a set of  
49 similar services that>  
50 36. Page 14, line 19, by striking <an individual's>

1 and inserting <a person's>  
2 37. Page 14, by striking line 23 and inserting:  
3 <(2) The director of>  
4 38. Page 14, line 28, by striking <individuals> and  
5 inserting <persons>  
6 39. Page 14, line 30, by striking <individual> and  
7 inserting <person>  
8 40. Page 14, line 32, by striking <individual> and  
9 inserting <person>  
10 41. Page 14, line 34, by striking <(3)> and  
11 inserting <b.>  
12 42. Page 15, line 3, by striking <an individual>  
13 and inserting <an individual person>  
14 43. Page 15, line 6, by striking <individual> and  
15 inserting <individual person>  
16 44. Page 15, line 9, by striking <b.> and inserting  
17 <c.>  
18 45. Page 15, line 20, after <program.> by inserting  
19 <The rules relating to the credentialing of a person  
20 directly providing services shall require all of the  
21 following:  
22 a. The person shall provide services and represent  
23 the person as competent only within the boundaries  
24 of the person's education, training, license,  
25 certification, consultation received, supervised  
26 experience, or other relevant professional experience.  
27 b. The person shall provide services in substantive  
28 areas or use intervention techniques or approaches  
29 that are new only after engaging in appropriate  
30 study, training, consultation, and supervision from a  
31 person who is competent in those areas, techniques, or  
32 approaches.  
33 c. If generally recognized standards do not  
34 exist with respect to an emerging area of practice,  
35 the person shall exercise careful judgment and take  
36 responsible steps, including obtaining appropriate  
37 education, research, training, consultation, and  
38 supervision, in order to ensure competence and to  
39 protect from harm the persons receiving the services in  
40 the emerging area of practice.>  
41 46. Page 16, line 32, by striking <crisis> and  
42 inserting <facility and community-based crisis>  
43 47. Page 17, by striking line 15 and inserting:  
44 <(3) Peer self-help drop-in centers.>  
45 48. Page 17, line 34, by striking <a.>  
46 49. Page 18, by striking lines 9 through 25.  
47 50. Page 19, line 5, by striking <331.439E> and  
48 inserting <331.439D>  
49 51. Page 19, line 26, after <department> by  
50 inserting <of human services>

1 52. Page 19, after line 34 by inserting:  
2 <3. a. The department of human services shall  
3 create a transition committee of appropriate  
4 stakeholders with whom to consult on the transition  
5 from the current mental health and disability services  
6 system to the regional service system as provided  
7 in this Act. The transition committee shall make  
8 recommendations to the governor and general assembly  
9 concerning the efficacy of the property tax levy and  
10 other funding provisions for the regional service  
11 system, including measures for equalization payments,  
12 growth, and addressing the effects of population  
13 shifts among the counties. In addition, the transition  
14 committee shall consider the data collected for the  
15 current system and for the new regional system and  
16 whether improvements are warranted.  
17 b. In designating the committee members, the  
18 director of human services shall consult with the  
19 chairpersons and ranking members of the committees  
20 on human resources of the senate and house of  
21 representatives and other members of the general  
22 assembly identified by the majority or minority leader  
23 of the senate or the speaker or minority leader of the  
24 house of representatives. In addition, the membership  
25 shall include four members of the general assembly,  
26 with one each appointed by the majority and minority  
27 leader of the senate and the speaker and minority  
28 leader of the house of representatives.>  
29 53. Page 19, after line 34 by inserting:  
30 <Sec. \_\_\_\_\_. MENTAL HEALTH AND DISABILITY SERVICES  
31 REDESIGN TRANSITION FUND.  
32 1. A mental health and disability services redesign  
33 transition fund is created under the authority of  
34 the department of human services for the fiscal year  
35 beginning July 1, 2012, and ending June 30, 2013.  
36 Moneys credited to the fund shall be used as provided  
37 in appropriations made from the fund, to be enacted by  
38 the general assembly, for allocation by the department  
39 to counties for one-time assistance for continuation  
40 of current core county mental health and disability  
41 services to targeted populations that are not funded by  
42 the Medicaid program.  
43 2. The eligibility provisions for a county to  
44 receive moneys from the fund shall include but are not  
45 limited to all of the following:  
46 a. The application and application materials  
47 submitted are approved by the county board of  
48 supervisors.  
49 b. The county levy certified for the county's  
50 services fund under section 331.424A for the fiscal

1 year is the maximum amount authorized by law.

2 c. The county financial information provided  
3 with the application is independently verified. The  
4 financial information to be provided shall be specified  
5 by the department and may include actual and projected  
6 cash and accrued fund balances, detailed accounts  
7 receivable and payable information, budgeted revenues  
8 and expenditures, identification of the need for the  
9 amount requested, and costs for the county's services  
10 administration.

11 d. The required county service information is  
12 provided with the application. The county service  
13 information to be provided shall be specified by the  
14 department and may include the following:

15 (1) The type, amount, and scope of services  
16 provided by the county as compared with other counties.

17 (2) The extent to which the county subsidizes the  
18 services directly provided or authorized by the county.

19 (3) The extent to which the services funded by the  
20 county are included in the county's management plan  
21 approved under section 331.439.

22 (4) The extent to which services are provided  
23 to persons other than adults with an intellectual  
24 disability or mental illness with income that is at or  
25 below 150 percent of the federal poverty level.

26 e. The application contains a sustainability plan  
27 in accordance with the requirements specified by the  
28 department. The requirements shall include but are not  
29 limited to explanation as to how the moneys requested  
30 will be used during this transition year to provide  
31 services in a manner that will allow the county to  
32 remain within the funding available to the county under  
33 per capita funding provisions, applicable to the county  
34 as enacted by this Act, commencing with the fiscal year  
35 beginning July 1, 2013.

36 f. The application is submitted on or before the  
37 specified application date. The initial application  
38 date specified shall be on or after October 15, 2012.

39 g. Other items specified by rule. The department  
40 shall consult with the transition committee created by  
41 this division of this Act in recommending the adoption  
42 of rules by the mental health and disability services  
43 commission delineating the requirements for funding  
44 under this section.

45 3. The department may provide for distribution  
46 provisions in which the amount awarded is distributed  
47 in more than one payment based upon actual expenditures  
48 and submission of required information.

49 4. The mental health and disability services  
50 commission may adopt administrative rules under section



1 17A.4, subsection 3, and section 17A.5, subsection  
2 2, paragraph "b", to implement the provisions of  
3 this section, and the rules shall become effective  
4 immediately upon filing or on a later effective date  
5 specified in the rules, unless the effective date is  
6 delayed by the administrative rules review committee.  
7 Any rules adopted in accordance with this subsection  
8 shall not take effect before the rules are reviewed  
9 by the administrative rules review committee. The  
10 delay authority provided to the administrative rules  
11 review committee under section 17A.4, subsection 7, and  
12 section 17A.8, subsection 9, shall be applicable to a  
13 delay imposed under this subsection, notwithstanding a  
14 provision in those sections making them inapplicable  
15 to section 17A.5, subsection 2, paragraph "b". Any  
16 rules adopted in accordance with the provisions of  
17 this subsection shall also be published as notice of  
18 intended action as provided in section 17A.4.>

19 54. Page 20, line 2, by striking <department of  
20 human services> and inserting <department of public  
21 health>

22 55. Page 20, line 9, by striking <director of human  
23 services> and inserting <director of public health>

24 56. Page 20, line 12, after <representatives> by  
25 inserting <and other members of the general assembly  
26 identified by the majority or minority leader of the  
27 senate or the speaker or minority leader of the house  
28 of representatives>

29 57. Page 21, line 4, after <representatives> by  
30 inserting <and other members of the general assembly  
31 identified by the majority or minority leader of the  
32 senate or the speaker or minority leader of the house  
33 of representatives>

34 58. Page 21, after line 27 by inserting:

35 <Sec. \_\_\_\_\_. CHILDREN'S DISABILITY SERVICES  
36 WORKGROUP. The December 2012 report of the workgroup  
37 created by the department of human services pursuant  
38 to 2011 Iowa Acts, chapter 121, section 1, to develop  
39 a proposal for publicly funded children's disability  
40 services shall include an analysis of service and  
41 cost effects of transitioning the behavioral health  
42 intervention services formerly known as remedial  
43 services and the psychiatric medical institution  
44 for children services to the Iowa plan. The report  
45 shall also provide a specific proposal for developing  
46 services in this state to meet the needs of children  
47 who are placed out-of-state due to the lack of  
48 treatment services in this state. The workgroup  
49 membership shall be expanded to include up to four  
50 legislators, with one each appointed by the majority

1 leader and the minority leader of the senate and  
2 the speaker and the minority leader of the house of  
3 representatives.>

4 59. Page 21, after line 27 by inserting:

5 <Sec. \_\_\_\_\_. DISPUTED BILLINGS.

6 1. To the extent allowable under federal law or  
7 regulation, if the costs of a service are payable in  
8 whole or in part by a county in accordance with a  
9 chapter of the Code listed in this section, the service  
10 was rendered prior to July 1, 2011, and the county that  
11 would be obligated to pay for the costs of the service  
12 has not been billed for the service or has disputed the  
13 billing prior to the effective date of this section, or  
14 the state has fully charged off the cost of the service  
15 or has not provided information to appropriately  
16 document the basis for the billing, the county shall  
17 have no obligation to pay for the service.

18 2. This section is applicable to service costs that  
19 are a county obligation for services provided under any  
20 of the following chapters of the Code:

- 21 a. Chapter 221.
- 22 b. Chapter 222.
- 23 c. Chapter 230.
- 24 d. Chapter 233B.
- 25 e. Chapter 249A.
- 26 f. Chapter 812.>

27 60. Page 24, by striking lines 12 through 15 and  
28 inserting:

29 <1. a. Local access to mental health and  
30 disability services for adults shall be provided either  
31 by counties organized into a regional service system or  
32 by individual counties that are exempted as provided  
33 by this subsection. The department of human services  
34 shall encourage counties to enter into a regional  
35 system when the regional approach is likely to increase  
36 the availability of services to residents of the state  
37 who need the services. It is the intent of the general  
38 assembly that the adult residents of this state should  
39 have access to needed mental health and disability  
40 services regardless of the location of their residence.

41 b. (1) The director of human services shall exempt  
42 a county from being required to enter into a regional  
43 service system if the county furnishes evidence  
44 that the county complies with the requirements in  
45 subsection 3, paragraphs "d", "e", "f", and "g", and  
46 is able to provide the core services required by law  
47 to the county's residents in a manner that is as cost  
48 effective and with outcomes that are at least equal to  
49 what could be provided to the residents if the county  
50 would provide the services through a regional service

1 system. The director shall identify criteria for  
2 evaluating the evidence provided by counties applying  
3 for the exemption. The criteria identified shall be  
4 specified in rule adopted by the state commission.  
5 (2) To be considered for an exemption under  
6 subparagraph (1), a county must file a written  
7 statement of intent to apply for an exemption with the  
8 department on or before May 1, 2013, and the county's  
9 exemption application must be filed with the department  
10 on or before June 30, 2013. The director of human  
11 services shall issue a decision on the application  
12 within forty-five days of receiving the application.  
13 This subparagraph is repealed July 1, 2013.  
14 c. If a county has been exempted pursuant to  
15 this subsection from the requirement to enter into a  
16 regional service system, the county and the county's  
17 board of supervisors shall fulfill all requirements  
18 under this chapter and chapter 225C for a regional  
19 service system, regional service system management  
20 plan, regional governing board, and regional  
21 administrator, and any other provisions applicable to  
22 a region of counties providing local mental health and  
23 disability services.>  
24 61. Page 24, by striking lines 20 and 21 and  
25 inserting <to the minimum number of counties if there  
26 is convincing evidence that>  
27 62. Page 24, line 24, by striking <region> and  
28 inserting <region, unless exempted pursuant to  
29 subsection 1>  
30 63. Page 24, by striking lines 29 through 31.  
31 64. Page 25, lines 1 and 2, by striking <with  
32 assistance from psychiatric consultants> and inserting  
33 <through contractual arrangements with mental health  
34 professionals qualified to provide psychiatric  
35 services>  
36 65. Page 26, line 7, by striking <region> and  
37 inserting <region, unless exempted pursuant to  
38 subsection 1>  
39 66. Page 26, line 10, by striking <November 1,  
40 2012> and inserting <April 1, 2013>  
41 67. Page 26, line 11, by striking <June 30, 2015,>  
42 and inserting <June 30, 2014, unless exempted pursuant  
43 to subsection 1,>  
44 68. Page 26, line 27, by striking <access> and  
45 inserting <local access>  
46 69. Page 27, line 8, by striking <with the  
47 concurrence of> and inserting <in consultation with>  
48 70. Page 27, after line 13 by inserting:  
49 <\_\_\_\_. If the department determines that a region  
50 or an exempted county is not adequately fulfilling the

1 requirements under this chapter for a regional service  
2 system, the department shall address the region or  
3 county in the following order:  
4     a. Require compliance with a corrective action  
5 plan.  
6     b. Reduce the amount of the annual state funding  
7 provided for the regional service system, not to exceed  
8 fifteen percent of the amount.  
9     c. Withdraw approval for the region or for the  
10 county exemption, as applicable.>  
11     71. Page 27, by striking lines 25 through 34 and  
12 inserting:  
13         <b. The membership of the governing board shall  
14 also include one individual who utilizes mental health  
15 and disability services or is an actively involved  
16 relative of such an individual. This member shall  
17 be designated by the advisory committee or committees  
18 formed by the governing board pursuant to this section.  
19 The member designated in accordance with this paragraph  
20 shall serve in a nonvoting, ex officio capacity.>  
21     72. Page 28, by striking lines 2 through 9 and  
22 inserting:  
23         <d. The membership of the governing board shall  
24 also consist of one member representing service  
25 providers in the region. This member shall be  
26 designated by the advisory committee or committees  
27 formed by the governing board pursuant to this section.  
28 The member designated in accordance with this paragraph  
29 shall serve in a nonvoting, ex officio capacity.>  
30     73. Page 28, line 14, after <3.> by inserting <a.>  
31     74. Page 28, line 16, after <department> by  
32 inserting <in accordance with section 225C.4,  
33 subsection 1, paragraph "u">  
34     75. Page 28, after line 22 by inserting:  
35         <b. The regional administrator staff shall  
36 include one or more coordinators of disability  
37 services. A coordinator shall possess a bachelor's  
38 or higher level degree in a human services-related  
39 or administrative-related field, including but not  
40 limited to social work, psychology, nursing, or public  
41 or business administration, from an accredited college  
42 or university. However, in lieu of a degree in public  
43 or business administration, a coordinator may provide  
44 documentation of relevant management experience. An  
45 action of a coordinator involving a clinical decision  
46 shall be made in conjunction with a professional who  
47 is trained in the delivery of the mental health or  
48 disability service addressed by the clinical decision.  
49 The regional administrator shall determine whether  
50 referral to a coordinator of disability services is

1 required for a person seeking to access a service  
2 through a local access point of the regional service  
3 system.>  
4 76. Page 31, line 29, by striking <in the county>  
5 77. Page 31, line 35, by striking <a> and inserting  
6 <the>  
7 78. Page 32, after line 8 by inserting:  
8 <\_\_\_\_. "*Mental health professional*" means the same as  
9 defined in section 228.1.>  
10 79. Page 32, lines 11 and 12, by striking <service  
11 authorization or other services-related determination>  
12 and inserting <a decision regarding a service  
13 authorization or other services-related decision>  
14 80. Page 32, after line 16 by inserting:  
15 <3. If a service authorization or other  
16 services-related decision made by a regional  
17 administrator concerning a person varies from the type  
18 and amount of service identified to be necessary for  
19 the person in a clinical determination made by a mental  
20 health professional and the mental health professional  
21 believes that failure to provide the type and amount of  
22 service identified could cause an immediate danger to  
23 the person's health or safety, the person may request  
24 an expedited review of the regional administrator's  
25 decision to be made by the department of human  
26 services. An expedited review held in accordance with  
27 this subsection is subject to the following procedures:  
28 a. The request for the expedited review shall  
29 be filed within five business days of receiving the  
30 notice of decision by the regional administrator. The  
31 request must be in writing, plainly state the request  
32 for an expedited review in the caption and body of the  
33 request, and be supported by written documentation from  
34 the mental health professional who made the clinical  
35 determination stating how the notice of decision  
36 on services could cause an immediate danger to the  
37 person's health or safety.  
38 b. The expedited review shall be performed by  
39 a mental health professional, who is either the  
40 administrator of the division of mental health  
41 and disability services of the department of human  
42 services or the administrator's designee. If the  
43 administrator is not a mental health professional, the  
44 expedited review shall be performed by a designee of  
45 the administrator who is a mental health professional  
46 and is free of any conflict of interest to perform  
47 the expedited review. The expedited review shall be  
48 performed within two business days of the time the  
49 request is filed. If the reviewer determines the  
50 information submitted in connection with the request is

1 inadequate to perform the review, the reviewer shall  
2 request the submission of additional information and  
3 the review shall be performed within two business days  
4 of the time that adequate information is submitted.  
5 The regional administrator and the person, with the  
6 assistance of the mental health professional who made  
7 the clinical determination shall each provide a brief  
8 statement of facts, conclusions, and reasons for the  
9 decision made. Supporting clinical information shall  
10 also be attached. All information related to the  
11 proceedings and any related filings shall be considered  
12 to be mental health information subject to chapter 228.

13 c. The administrator or designee shall issue an  
14 order, including a brief statement of findings of fact,  
15 conclusions of law, and policy reasons for the order,  
16 to justify the decision made concerning the expedited  
17 review. If the decision concurs with the contention  
18 that there is an immediate danger to the person's  
19 health or safety, the order shall identify the type  
20 and amount of service which shall be provided for the  
21 person. The administrator or designee shall give such  
22 notice as is practicable to persons who are required  
23 to comply with the order. The order is effective when  
24 issued.

25 d. The decision of the administrator or designee  
26 shall be considered a final agency action and is  
27 subject to judicial review in accordance with section  
28 17A.19. The record for judicial review consists of any  
29 documents regarding the matter that were considered  
30 or prepared by the administrator or designee. The  
31 administrator or designee shall maintain these  
32 documents as the official record of the decision. If  
33 the matter is appealed to the district court, the  
34 record shall be filed as confidential.>

35 81. Page 32, line 16, by striking <a final agency  
36 decision> and inserting <final agency action>

37 82. Page 32, line 17, by striking <3.> and  
38 inserting <4.>

39 83. Page 32, line 29, by striking <4.> and  
40 inserting <5.>

41 84. Page 33, line 10, by striking <section> and  
42 inserting <subsection>

43 85. Page 33, line 30, by striking <is a> and  
44 inserting <shall be considered>

45 86. Page 34, line 4, by striking <section> and  
46 inserting <subsection>

47 87. Page 34, line 25, by striking <decision> and  
48 inserting <determination>

49 88. Page 34, after line 27 by inserting:

50 <5. a. The dispute resolution process implemented

1 in accordance with this subsection applies to  
2 billing disputes between the state and a county  
3 or region, other than residency disputes or other  
4 dispute processes under this section, involving the  
5 responsibility for service costs under any of the  
6 following:

- 7 (1) Chapter 221.
- 8 (2) Chapter 222.
- 9 (3) Chapter 230.
- 10 (4) Chapter 249A.
- 11 (5) Chapter 812.

12 b. If a county, region, or the department, as  
13 applicable, disputes a billing for service costs listed  
14 in paragraph "a", the dispute shall be resolved as  
15 provided in this subsection. The county or region  
16 shall notify the department of the county's or region's  
17 assertion within ninety days of receiving the billing.  
18 If the department disputes such a billing of a regional  
19 administrator, the department shall notify the affected  
20 counties or regions of the department's assertion.

21 c. The department, county, or region that received  
22 the notification, as applicable, shall respond to the  
23 party that provided the notification within forty-five  
24 days of receiving the notification. If the parties  
25 cannot agree to a settlement as to the dispute within  
26 ninety days of the date of notification, on motion of  
27 any of the parties, the matter shall be referred to the  
28 department of inspections and appeals for a contested  
29 case hearing under chapter 17A before an administrative  
30 law judge assigned in accordance with section 10A.801  
31 to determine facts and issue a decision to resolve the  
32 dispute.

33 d. (1) The administrative law judge's decision  
34 is a final agency action, notwithstanding contrary  
35 provisions of section 17A.15. The party that does  
36 not prevail in the decision or subsequent judicial  
37 review is liable for costs associated with the  
38 proceeding, including reimbursement of the department  
39 of inspections and appeals' actual costs associated  
40 with the administrative proceeding. Judicial review of  
41 the decision may be sought in accordance with section  
42 17A.19.

43 (2) If following the decision regarding a dispute  
44 in accordance with this subsection, additional  
45 evidence becomes available that merits a change in that  
46 decision, the parties affected may change the decision  
47 by mutual agreement. Otherwise, a party may move that  
48 the matter be reconsidered by the department, county,  
49 or region, or by the administrative law judge.

50 e. (1) Unless a petition is filed for judicial

1 review, the administrative law judge's decision  
2 regarding a disputed billing shall result in one of the  
3 following:

4 (a) If a county or region is determined to be  
5 responsible for the disputed amounts, the county or  
6 region shall pay the amounts due and shall reimburse  
7 any other amounts paid for services provided by  
8 the other county or region or the department on the  
9 person's behalf prior to the decision.

10 (b) If it is determined that the state is  
11 responsible for the disputed amounts, the state shall  
12 pay the amounts due and shall reimburse the county or  
13 region, as applicable, for any payment made on behalf  
14 of the person prior to the decision.

15 (2) The payment or reimbursement shall be remitted  
16 within forty-five days of the date the decision was  
17 issued. After the forty-five-day period, a penalty of  
18 not greater than one percent per month may be added to  
19 the amount due.>

20 89. Page 34, after line 31 by inserting:

21 <Sec. \_\_\_\_\_. EMERGENCY RULES. The mental health and  
22 disability services commission may adopt administrative  
23 rules under section 17A.4, subsection 3, and section  
24 17A.5, subsection 2, paragraph "b", to implement  
25 the provisions of this division of this Act enacting  
26 section 331.438B, that relate to criteria for  
27 evaluation of an application for an exemption from  
28 regionalization, and the rules shall become effective  
29 immediately upon filing or on a later effective date  
30 specified in the rules, unless the effective date is  
31 delayed by the administrative rules review committee.  
32 Any rules adopted in accordance with this section  
33 shall not take effect before the rules are reviewed  
34 by the administrative rules review committee. The  
35 delay authority provided to the administrative rules  
36 review committee under section 17A.4, subsection 7, and  
37 section 17A.8, subsection 9, shall be applicable to a  
38 delay imposed under this section, notwithstanding a  
39 provision in those sections making them inapplicable  
40 to section 17A.5, subsection 2, paragraph "b". Any  
41 rules adopted in accordance with the provisions of this  
42 section shall also be published as notice of intended  
43 action as provided in section 17A.4.>

44 90. Page 35, after line 19 by inserting:

45 <\_\_\_\_\_. "*Mental health services*" means services  
46 provided by a mental health professional operating  
47 within the scope of the professional's practice which  
48 address mental, emotional, medical, or behavioral  
49 problems.>

50 91. Page 35, by striking lines 24 through 28.



1 92. Page 35, by striking lines 33 through 35 and  
2 inserting <or older and has been determined by a mental  
3 health professional to need subacute mental health  
4 services.>  
5 93. Page 36, by striking lines 4 through 9 and  
6 inserting <of egress providing subacute mental health  
7 services for a period exceeding twenty-four consecutive  
8 hours to persons in need of the services.>  
9 94. Page 36, before line 10 by inserting:  
10 <\_\_\_\_. "*Subacute mental health services*" means the  
11 same as defined in section 225C.6.>  
12 95. Page 36, line 24, by striking <the residents>  
13 and inserting <persons with serious and persistent  
14 mental illness so that the persons are able to  
15 experience recovery and live successfully in the  
16 community>  
17 96. Page 36, line 29, by striking <psychiatric> and  
18 inserting <subacute mental health>  
19 97. Page 37, by striking line 4 and inserting <each  
20 resident as medically necessary and shall be>  
21 98. Page 37, by striking lines 7 through 9 and  
22 inserting <be provided by a mental health professional.  
23 The>  
24 99. Page 37, by striking lines 15 through 20.  
25 100. Page 38, by striking lines 6 through 11 and  
26 inserting:  
27 <The department shall issue a license to an  
28 applicant under this chapter if the following  
29 conditions exist:  
30 1. The department has ascertained that the  
31 applicant's facilities and staff are adequate to  
32 provide the care and services required of a subacute  
33 care facility.  
34 2. a. The department of human services has  
35 submitted written approval of the application based  
36 upon the process used by the department of human  
37 services to identify the best qualified providers. The  
38 department of human services shall utilize a request  
39 for proposals process to identify the best qualified  
40 providers, limit the number of subacute care facility  
41 beds, and ensure the geographic dispersion of subacute  
42 mental health services.  
43 b. The department of human services shall not give  
44 approval to an application which would cause the number  
45 of publicly funded subacute care facility beds licensed  
46 under this chapter to exceed fifty beds.  
47 c. The subacute care facility beds identified by  
48 the request for proposals process shall be existing  
49 beds which have been awarded a certificate of need  
50 pursuant to chapter 135. Such beds shall not be

1 required to obtain an additional certificate of need  
2 upon conversion to licensed subacute care facility  
3 beds.>  
4 101. Page 39, line 15, by striking <The> and  
5 inserting:  
6 <1. The department of inspections and appeals and  
7 the department of human services shall collaborate in  
8 establishing standards for licensing of subacute care  
9 facilities to achieve all of the following objectives:  
10 a. Subacute mental health services are provided  
11 based on sound, proven clinical practice.  
12 b. Subacute mental health services are established  
13 in a manner that allows the services to be included in  
14 the federal medical assistance state plan.  
15 2. It is the intent of the general assembly that  
16 subacute mental health services be included in the  
17 Medicaid state plan adopted for the implementation of  
18 the federal Patient Protection and Affordable Care Act,  
19 benchmark plan.  
20 3. The>  
21 102. Page 39, line 25, by striking  
22 <—confidentiality>  
23 103. By striking page 39, line 33, through page 40,  
24 line 3, and inserting <or prior to the inspection.>  
25 104. Page 42, by striking lines 18 through 24  
26 and inserting <After the respondent's admission, the  
27 observation, medical treatment, and hospital care  
28 of the respondent may be provided by a mental health  
29 professional, as defined in section 228.1, who is  
30 licensed as a physician, advanced registered nurse  
31 practitioner, or physician assistant.>  
32 105. Page 42, by striking lines 25 through 35 and  
33 inserting:  
34 <Sec. \_\_\_\_\_. Section 225C.6, Code Supplement 2011, is  
35 amended by adding the following new subsection:  
36 NEW SUBSECTION. 4. a. The department shall  
37 coordinate with the department of inspections and  
38 appeals in the establishment of facility-based and  
39 community-based, subacute mental health services.  
40 b. A person shall not provide community-based,  
41 subacute mental health services unless the person  
42 has been accredited to provide the services. The  
43 commission shall adopt standards for subacute mental  
44 health services and for accreditation of providers of  
45 community-based, subacute mental health services.  
46 c. As used in this subsection, "subacute mental  
47 health services" means all of the following:  
48 (1) A comprehensive set of wraparound services for  
49 persons who have had or are at imminent risk of having  
50 acute or crisis mental health symptoms that do not

1 permit the persons to remain in or threatens removal  
2 of the persons from their home and community, but who  
3 have been determined by a mental health professional  
4 and a licensed health care professional, subject to  
5 the professional's scope of practice, not to need  
6 inpatient acute hospital services. For the purposes of  
7 this subparagraph, "*mental health professional*" means  
8 the same as defined in section 228.1 and "*licensed*  
9 *health care professional*" means a person licensed  
10 under chapter 148 to practice medicine and surgery  
11 or osteopathic medicine and surgery, an advanced  
12 registered nurse practitioner licensed under chapter  
13 152 or 152E and registered with the board of nursing,  
14 or a physician assistant licensed to practice under the  
15 supervision of a physician as authorized in chapters  
16 147 and 148C.

17 (2) Intensive, recovery-oriented treatment  
18 and monitoring of the person with direct or remote  
19 access to a psychiatrist or advanced registered nurse  
20 practitioner.

21 (3) An outcome-focused, interdisciplinary approach  
22 designed to return the person to living successfully  
23 in the community.

24 (4) Services that may be provided in a wide array  
25 of settings ranging from the person's home to a  
26 facility providing subacute mental health services.

27 (5) Services that are time limited to not more  
28 than ten days or another time period determined in  
29 accordance with rules adopted for this purpose.

30 d. Subacute mental health services and the  
31 standards for the services shall be established in  
32 a manner that allows for accessing federal Medicaid  
33 funding.

34 Sec. \_\_\_\_\_. SUBACUTE CARE FACILITY — REIMBURSEMENT  
35 METHODOLOGY. The department of human services shall  
36 develop a reimbursement methodology for subacute care  
37 facility for persons with serious and persistent mental  
38 illness services, as defined in this division of this  
39 Act. It is the intent of the general assembly that  
40 the reimbursement methodology will take effect during  
41 the fiscal year beginning July 1, 2012, and result in  
42 an initial reimbursement rate in the range of \$400 to  
43 \$500 per day. Such rate shall be subject to annual  
44 adjustment as provided by law.>

45 106. Page 43, after line 7 by inserting:

46 <Sec. \_\_\_\_\_. STATE AGENCY ACTIVITIES CONCERNING  
47 SUBACUTE, CRISIS STABILIZATION, AND RESIDENTIAL CARE  
48 FACILITY SERVICES.

49 1. The department of human services shall work  
50 with the departments of public health and inspections

1 and appeals and other relevant stakeholders to  
2 identify appropriate definitions and other regulatory  
3 provisions to address residential care facilities and  
4 both facility and nonfacility subacute and crisis  
5 stabilization services. The department shall consider  
6 the experience of the crisis stabilization program  
7 pilot project authorized by this division of this  
8 Act in identifying regulatory provisions for such  
9 programs. The appropriate department shall adopt rules  
10 to implement the provisions identified.

11 2. It is the intent of the general assembly that  
12 the Medicaid state plan adopted for the implementation  
13 of the federal Patient Protection and Affordable Care  
14 Act, Pub. L. No. 111-148, will include coverage of  
15 both facility and nonfacility subacute and crisis  
16 stabilization services.

17 3. The department of human services shall work  
18 with the entity under contract with the department  
19 to provide mental health managed care under the  
20 medical assistance program to ensure there is adequate  
21 reimbursement of both facility and nonfacility subacute  
22 and crisis stabilization services.>

23 107. Page 43, before line 8 by inserting:

24 <Sec. \_\_\_\_\_. CRISIS STABILIZATION PROGRAM PILOT  
25 PROJECT.

26 1. The department of human services shall authorize  
27 a facility-based, crisis stabilization program pilot  
28 project implemented by the regional service network  
29 initiated pursuant to 2008 Iowa Acts, chapter 1187,  
30 section 59, subsection 9. The facility operated  
31 by the program shall not be required to be licensed  
32 under chapter 135B, 135C, or 231C. The purpose of  
33 the pilot project is to provide a prototype for the  
34 departments of human services, inspections and appeals,  
35 and public health to develop regulatory standards for  
36 such programs and facilities. The pilot project shall  
37 comply with appropriate standards associated with  
38 funding of the services provided by the project that  
39 are identified by the department of human services.  
40 The facility shall be limited to not more than 10 beds  
41 and shall be authorized to operate through June 30,  
42 2013.

43 2. The network, in cooperation with the departments  
44 of human services, inspections and appeals, and  
45 public health, shall report to the governor, the  
46 general assembly, and the legislative services agency  
47 concerning the pilot project on or before December 14,  
48 2012, providing findings and recommendations. The  
49 report shall include recommendations for criteria  
50 concerning admissions, staff qualifications, staffing

1 levels, exclusion and inclusion of service recipients,  
2 lengths of stays, transition between services, and  
3 facility requirements, and for goals and objectives for  
4 such programs and facilities.>

5 108. Page 43, after line 9 by inserting:

6 <DIVISION

7 CO-OCCURRING CONDITIONS

8 Sec. \_\_\_\_\_. Section 125.10, subsection 3, Code  
9 Supplement 2011, is amended to read as follows:

10 3. Coordinate the efforts and enlist the assistance  
11 of all public and private agencies, organizations and  
12 individuals interested in the prevention of substance  
13 abuse and the treatment of substance abusers, chronic  
14 substance abusers, and intoxicated persons. The  
15 director's actions to implement this subsection shall  
16 also address the treatment needs of persons who have  
17 a mental illness, an intellectual disability, brain  
18 injury, or other co-occurring condition in addition to  
19 a substance-related disorder.

20 Sec. \_\_\_\_\_. Section 125.12, subsection 3, Code  
21 Supplement 2011, is amended to read as follows:

22 3. The director shall provide for adequate and  
23 appropriate treatment for substance abusers, chronic  
24 substance abusers, intoxicated persons, and concerned  
25 family members admitted under sections 125.33 and  
26 125.34, or under section 125.75, 125.81, or 125.91.  
27 Treatment shall not be provided at a correctional  
28 institution except for inmates. A mental health  
29 professional, as defined in section 228.1, who is  
30 employed by a treatment provider under the program  
31 may provide treatment to a person with co-occurring  
32 substance-related and mental health disorder. Such  
33 treatment may also be provided by a person employed  
34 by such a treatment provider who is receiving the  
35 supervision required to meet the definition of  
36 mental health professional but has not completed the  
37 supervision component.

38 Sec. \_\_\_\_\_. Section 226.10, Code 2011, is amended to  
39 read as follows:

40 **226.10 Equal treatment.**

41 The ~~several~~ patients of the state mental health  
42 institutes, according to their different conditions  
43 of mind and body, and their respective needs, shall  
44 be provided for and treated with equal care. If in  
45 addition to mental illness a patient has a co-occurring  
46 intellectual disability, brain injury, or substance  
47 abuse disorder, the care provided shall also address  
48 the co-occurring needs.>

49 109. Page 43, before line 10 by inserting:

50 <Sec. \_\_\_\_\_. EFFECTIVE UPON ENACTMENT. The following

1 provision or provisions of this Act, being deemed of  
2 immediate importance, take effect upon enactment:  
3 1. The section of this Act authorizing a crisis  
4 stabilization program pilot project.>  
5 110. Page 43, by striking lines 11 and 12 and  
6 inserting:  
7                   <BRAIN INJURY DEFINITION>  
8 111. Page 43, by striking line 35 and inserting  
9 <assistance program.  
10 Sec. \_\_\_\_\_. Section 225C.23, subsection 2, Code 2011,  
11 is amended to read as follows:  
12 2. For the purposes of this section and section  
13 ~~135.22A~~, "brain injury" means the occurrence of injury  
14 to the head not primarily related to a degenerative  
15 disease or aging process that is documented in a  
16 medical record with one or more of the following  
17 conditions attributed to the head injury:  
18 a. ~~An observed or self-reported decreased level of~~  
19 ~~consciousness.~~  
20 b. ~~Amnesia.~~  
21 c. ~~A skull fracture.~~  
22 d. ~~An objective neurological or neuropsychological~~  
23 ~~abnormality.~~  
24 e. ~~A diagnosed intracranial lesion~~ same as defined  
25 in section 135.22.  
26                   DIVISION \_\_\_\_\_  
27                   LEGAL SETTLEMENT>  
28 112. Page 49, line 27, by striking <225C.8> and  
29 inserting <225C.8 331.438F>  
30 113. Page 50, line 28, by striking <225C.8> and  
31 inserting <225C.8 331.438F>  
32 114. Page 50, line 30, by striking <225C.8> and  
33 inserting <225C.8 331.438F>  
34 115. Page 51, line 29, by striking <225C.8> and  
35 inserting <225C.8 331.438F>  
36 116. Page 52, line 34, by striking <225C.8> and  
37 inserting <225C.8 331.438F>  
38 117. By striking page 56, line 25, through page 58,  
39 line 30.  
40 118. Page 59, by striking lines 13 through 27.  
41 119. Page 64, line 25, by striking <225C.8> and  
42 inserting <225C.8 331.438F>  
43 120. Page 65, line 30, by striking <225C.8> and  
44 inserting <225C.8 331.438F>  
45 121. Page 66, after line 7 by inserting:  
46 <Sec. \_\_\_\_\_. Section 230.6, Code 2011, is amended to  
47 read as follows:  
48 **230.6 Investigation by administrator.**  
49 The administrator shall immediately investigate the  
50 ~~legal settlement~~ residency of a patient and proceed as

1 follows:

2 1. If the administrator concurs with a certified  
3 determination of legal-settlement residency concerning  
4 the patient, the administrator shall cause the patient  
5 either to be transferred to a state hospital for  
6 persons with mental illness at the expense of the  
7 state, or to be transferred, with approval of the court  
8 as required by chapter 229 to the place of foreign  
9 settlement residence.

10 2. If the administrator disputes a certified legal  
11 settlement residency determination, the administrator  
12 shall order the patient to be maintained at a state  
13 hospital for persons with mental illness at the expense  
14 of the state until the dispute is resolved.

15 3. If the administrator disputes a legal-settlement  
16 residency determination, the administrator shall  
17 utilize the procedure provided in section 225C.8  
18 331.438F to resolve the dispute. A determination of  
19 the person's legal-settlement residency status made  
20 pursuant to section 225C.8 331.438F is conclusive.>

21 122. Page 67, line 4, by striking <225C.8> and  
22 inserting <225C.8 331.438F>

23 123. Page 68, line 4, by striking <225C.8> and  
24 inserting <225C.8 331.438F>

25 124. Page 68, after line 16 by inserting:

26 <Sec. \_\_\_\_\_. Section 232.141, subsection 8, Code  
27 2011, is amended to read as follows:

28 8. This subsection applies only to placements in  
29 a juvenile shelter care home which is publicly owned,  
30 operated as a county or multicounty shelter care home,  
31 organized under a chapter 28E agreement, or operated by  
32 a private juvenile shelter care home. If the actual  
33 and allowable costs of a child's shelter care placement  
34 exceed the amount the department is authorized to pay  
35 in accordance with law and administrative rule, the  
36 unpaid costs may be recovered from the child's county  
37 of legal settlement. However, the maximum amount of  
38 the unpaid costs which may be recovered under this  
39 subsection is limited to the difference between the  
40 amount the department is authorized to pay and the  
41 statewide average of the actual and allowable rates  
42 in effect in May of the preceding fiscal year for  
43 reimbursement of juvenile shelter care homes. In no  
44 case shall the home be reimbursed for more than the  
45 home's actual and allowable costs. The unpaid costs  
46 are payable pursuant to filing of verified claims  
47 against the county of legal settlement. A detailed  
48 statement of the facts upon which a claim is based  
49 shall accompany the claim. Any dispute between  
50 counties arising from filings of claims pursuant to

1 this subsection shall be settled in the manner provided  
2 to determine ~~legal settlement~~ residency in section  
3 ~~225C.8~~ 331.438F.>

4 125. Page 70, line 34, by striking <and 7> and  
5 inserting <7, and 8>

6 126. Page 71, after line 34 by inserting:

7 <8. If a dispute arises between different counties  
8 or between the department and a county as to the ~~legal~~  
9 ~~settlement~~ residency of a person who receives medical  
10 assistance for which the nonfederal share is payable  
11 in whole or in part by a county of ~~legal settlement~~  
12 residence, and cannot be resolved by the parties, the  
13 dispute shall be resolved as provided in section ~~225C.8~~  
14 331.438F.>

15 127. Page 72, line 16, by striking <225C.8> and  
16 inserting <~~225C.8~~ 331.438F>

17 128. Page 74, after line 13 by inserting:

18 <Sec. \_\_\_\_\_. REPEAL. Section 225C.8, Code 2011, is  
19 repealed.

20 Sec. \_\_\_\_\_. EFFECTIVE DATE. This division of this  
21 Act takes effect July 1, 2013.>

22 129. Page 74, after line 13 by inserting:

23 <DIVISION \_\_\_\_\_

24 PROPERTY TAX RELIEF PROVISIONS

25 Sec. \_\_\_\_\_. NEW SECTION. 331.424D County mental  
26 health and disabilities services fund.

27 1. For the purposes of this chapter and chapter  
28 426B, unless the context otherwise requires:

29 a. "*Base year expenditures for mental health and*  
30 *disabilities services*" means the same as defined in  
31 section 331.438, Code Supplement 2011, minus the amount  
32 the county received from the property tax relief fund  
33 pursuant to section 426B.1, Code 2011, for the fiscal  
34 year beginning July 1, 2008.

35 b. "*County population expenditure target amount*"  
36 means the product of the statewide per capita  
37 expenditure target amount multiplied by a county's  
38 general population.

39 c. "*County services fund*" means a county mental  
40 health and disabilities services fund created pursuant  
41 to this section.

42 d. "*Per capita growth amount*" means the amount by  
43 which the statewide per capita expenditure target  
44 amount may grow from one year to the next.

45 e. "*Statewide per capita expenditure target amount*"  
46 means the dollar amount of a statewide expenditure  
47 target per person as established by statute.

48 2. The county finance committee created in section  
49 333A.2 shall consult with the department of human  
50 services and the department of management in adopting



1 rules and prescribing forms for administering the  
2 county services funds.

3 3. a. For the fiscal year beginning July 1, 2013,  
4 and succeeding fiscal years, revenues from taxes  
5 and other sources designated by a county for mental  
6 health and disabilities services shall be credited  
7 to a mental health and disabilities services fund  
8 which shall be created by the county. The board shall  
9 make appropriations from the county services fund  
10 for payment of services provided under the regional  
11 service system management plan approved pursuant to  
12 section 331.439A. The county may pay for the services  
13 in cooperation with other counties by combining  
14 appropriations from the county services fund with  
15 appropriations from the county services funds of other  
16 counties, through the county's regional administrator,  
17 or through another arrangement specified in the  
18 regional governance agreement entered into by the  
19 county under section 331.438E.

20 b. Appropriations specifically authorized to be  
21 made from the county services fund shall not be made  
22 from any other fund of the county.

23 4. For the fiscal year beginning July 1, 2013,  
24 and succeeding fiscal years, receipts from the state  
25 or federal government for the mental health and  
26 disabilities services administered or paid for by a  
27 county shall be credited to the county services fund,  
28 including moneys distributed to the county through the  
29 department of human services and moneys distributed  
30 pursuant to chapter 426B to the county for property tax  
31 relief.

32 5. a. For the fiscal year beginning July 1, 2013,  
33 and for each subsequent fiscal year, the county shall  
34 certify a levy for payment of services from the county  
35 services fund. For each fiscal year, county revenues  
36 from taxes levied by the county and credited to the  
37 county services fund shall not exceed the lower of the  
38 following amounts:

39 (1) The amount of the county's base year  
40 expenditures for mental health and disabilities  
41 services.

42 (2) The amount equal to the product of the  
43 statewide per capita expenditure target for the fiscal  
44 year beginning July 1, 2013, multiplied by the county's  
45 general population for the same fiscal year.

46 b. The county auditor and the board of supervisors  
47 shall certify the levy for the county services fund as  
48 required by paragraph "a". A levy certified under this  
49 subsection is not subject to the provisions of section  
50 331.426 or to any other provision in law authorizing a

1 county to exceed, increase, or appeal a property tax  
2 levy limit.

3 Sec. \_\_\_\_\_. Section 331.432, subsection 3, Code  
4 Supplement 2011, is amended to read as follows:

5 3. Except as authorized in section 331.477,  
6 transfers of moneys between the county mental health,  
7 ~~mental retardation, and developmental~~ disabilities  
8 services fund created pursuant to section 331.424D and  
9 any other fund are prohibited.

10 Sec. \_\_\_\_\_. Section 426B.1, subsection 2, Code 2011,  
11 is amended by striking the subsection and inserting in  
12 lieu thereof the following:

13 2. Moneys shall be distributed from the property  
14 tax relief fund to counties for the mental health and  
15 disability regional service system for providing county  
16 base property tax equivalent equalization payments and  
17 the per capita growth amount established pursuant to  
18 section 426B.3, in accordance with the appropriations  
19 made to the fund and other statutory requirements.

20 Sec. \_\_\_\_\_. Section 426B.2, subsections 1 and 2, Code  
21 2011, are amended by striking the subsections.

22 Sec. \_\_\_\_\_. Section 426B.2, subsection 3, Code 2011,  
23 is amended to read as follows:

24 3. ~~a.~~ The director of human services shall draw  
25 warrants on the property tax relief fund, payable to  
26 the county treasurer in the amount due to a county in  
27 accordance with ~~subsection 1~~ section 426B.3, and mail  
28 the warrants to the county auditors in July and January  
29 of each year.

30 ~~b. Any replacement generation tax in the property~~  
31 ~~tax relief fund as of May 1 shall be paid to the~~  
32 ~~county treasurers in July and January of the fiscal~~  
33 ~~year beginning the following July 1. The department~~  
34 ~~of management shall determine the amount each county~~  
35 ~~will be paid pursuant to this lettered paragraph~~  
36 ~~for the following fiscal year. The department shall~~  
37 ~~reduce by the determined amount the amount of each~~  
38 ~~county's certified budget to be raised by property~~  
39 ~~tax for that fiscal year which is to be expended for~~  
40 ~~mental health, mental retardation, and developmental~~  
41 ~~disabilities services and shall revise the rate of~~  
42 ~~taxation as necessary to raise the reduced amount. The~~  
43 ~~department of management shall report the reduction in~~  
44 ~~the certified budget and the revised rate of taxation~~  
45 ~~to the county auditors by June 15.~~

46 Sec. \_\_\_\_\_. Section 426B.3, Code 2011, is amended by  
47 striking the section and inserting in lieu thereof the  
48 following:

49 **426B.3 Per capita funding.**

50 1. Commencing with the fiscal year beginning July

1 1, 2013, the state and county funding for the mental  
2 health and disability services administered or paid for  
3 by counties shall be provided based on a statewide per  
4 capita expenditure target amount computed in accordance  
5 with this section.

6 2. The statewide per capita expenditure target  
7 amount shall consist of the sum of the following:

8 a. A county base property tax equivalent to  
9 forty-seven dollars and twenty-eight cents per capita.  
10 Each per capita growth amount established by statute  
11 as provided in paragraph "b", shall be added to this  
12 amount.

13 b. A per capita growth amount, which may be stated  
14 as a percentage of the prior fiscal year's county base  
15 property tax per capita amount, as established by  
16 statute.

17 3. The per capita growth amount established  
18 by statute shall provide funding for increases in  
19 non-Medicaid expenditures from county services funds  
20 due to service costs, additional service populations,  
21 additional core service domains, and numbers of persons  
22 receiving services.

23 4. a. For the fiscal year beginning July 1, 2013,  
24 and succeeding fiscal years, a county with a county  
25 population expenditure target amount that exceeds  
26 the amount of the county's base year expenditures for  
27 mental health and disabilities services shall receive  
28 an equalization payment for the difference.

29 b. The equalization payments determined in  
30 accordance with this subsection shall be made by the  
31 department of human services for each fiscal year as  
32 provided in appropriations made from the property tax  
33 relief fund for this purpose.

34 Sec. \_\_\_\_\_. REPEAL. Section 426B.6, Code Supplement  
35 2011, is repealed.

36 Sec. \_\_\_\_\_. EFFECTIVE DATE. The following provisions  
37 of this division of this Act takes effect July 1, 2013:

38 1. The section of this Act amending section  
39 331.432.

40 2. The section of this Act amending section 426B.1.

41 3. The sections of this Act amending section  
42 426B.2.

43 4. The section of this Act amending section 426B.3.

44 Sec. \_\_\_\_\_. APPLICABILITY. The following provisions  
45 of this division of this Act are applicable commencing  
46 with the budget and tax levy certification process for  
47 the fiscal year beginning July 1, 2013:

48 1. The section of this Act amending section 426B.1.

49 2. The sections of this Act amending section  
50 426B.2.

1       3. The section of this Act amending section  
2 426B.3.>  
3       130. Title page, line 4, after <regions> by  
4 inserting <, revising related property tax levy  
5 provisions,>  
6       131. By renumbering as necessary.